

DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF LEGISLATIVE LIAISON  
WASHINGTON, D.C.

17 May 1985

MEMORANDUM FOR

CIA

STAT

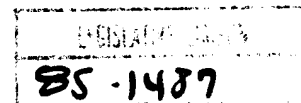
STAT

Per your recent request, I have attached  
correspondence about which we chatted.  
Included therein are Senator Durenberger's  
responses to SECDEF and DDO. We have yet  
to receive a response from HPSCI.

Best regards,

STAT

Attachment





THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

26 APR 1985

Honorable David Durenberger, Chairman  
Select Committee on Intelligence  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

The Office of Management and Budget has recently cleared the Administration's proposed Fiscal Year 1986 Intelligence Authorization bill for transmittal to the Congress. Contained in the Bill is a legislative proposal which I strongly endorse.

Title V of the proposed Bill would give the Department of Defense the statutory authority it needs to establish and operate business entities as nonofficial commercial cover when necessary to support intelligence collection activities of the Department of Defense. In addition to having my full support, this proposed legislation has Bill Casey's support and the support of all the military services and the Defense Intelligence Agency. This is not a new proposal but one which has been reworked and refined over the last two years. This narrowly crafted authority has significant merit in that it would enhance DoD HUMINT collection capabilities measurably. DoD intelligence collectors need the operational tools this legislation provides, i.e., nonofficial commercial cover, to enhance their capability to gather the information needed by commanders throughout the world.

I, therefore, respectfully request that representatives of the Department of Defense be allowed the opportunity to testify before the full committee in time for this important provision to be seriously considered for ultimate inclusion in the Intelligence Authorization Bill for Fiscal Year 1986. A copy of this letter has been provided to the Vice Chairman of the Committee.

Sincerely,

A handwritten signature, likely of the Secretary of Defense, is written below the word "Sincerely,".

cc:  
Senator Patrick J. Leahy



THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

29 APR 1985

Honorable Lee Hamilton, Chairman  
Permanent Select Committee on Intelligence  
United States House of Representatives  
Washington, DC 20510

Dear Mr. Chairman:

The Office of Management and Budget has recently cleared the Administration's proposed Fiscal Year 1986 Intelligence Authorization bill for transmittal to the Congress. Contained in the Bill is a legislative proposal which I strongly endorse.

Title V of the proposed Bill would give the Department of Defense the statutory authority it needs to establish and operate business entities as nonofficial commercial cover when necessary to support intelligence collection activities of the Department of Defense. In addition to having my full support, this proposed legislation has Bill Casey's support and the support of all the military services and the Defense Intelligence Agency. This is not a new proposal but one which has been reworked and refined over the last two years. This narrowly crafted authority has significant merit in that it would enhance DoD HUMINT collection capabilities measurably. DoD intelligence collectors need the operational tools this legislation provides, i.e., nonofficial commercial cover, to enhance their capability to gather the information needed by commanders throughout the world.

I, therefore, respectfully request that representatives of the Department of Defense be allowed the opportunity to testify before the full committee in time for this important provision to be seriously considered for ultimate inclusion in the Intelligence Authorization Bill for Fiscal Year 1986. A copy of this letter has been provided to the Ranking Minority Member of the Committee.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert C. McInerney", is written below the word "Sincerely,".

cc:  
Rep. Bob Stump

Central Intelligence Agency



Washington, D.C. 20505

26 APR 1985

The Honorable Lee Hamilton, Chairman  
Permanent Select Committee on Intelligence  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

The Administration has now cleared the draft FY 86 Intelligence Authorization Bill for Congressional action. Title V, Support for Defense Intelligence Activities, would give DoD statutory authority to establish and operate commercial entities as cover support for DoD intelligence collection activities.

CIA supports DoD's efforts to achieve legislative enactment of this authority. Military intelligence requirements have become more and more demanding, particularly in regions where United States military presence is absent or where our official presence is small or closely watched. DoD intelligence collectors need the operational tools this legislation provides, i.e., nonofficial commercial cover, to enhance their capability to gather the information needed by commanders throughout the world.

Military intelligence operations are an integral part of the combined Intelligence Community effort. The proposed legislation would neither change nor increase DoD's intelligence mission nor create a DoD activity duplicating CIA's. It would, however, provide a more secure operating environment for DoD intelligence collection activities and facilitate access to targets not readily accessible under current scenarios. DoD and CIA already have established viable intelligence collection coordination procedures. Any use of the authority granted in this legislation would continue to be coordinated with CIA under those same procedures so as to avoid any duplication of effort. CIA is prepared, upon enactment, to brief DoD regarding its experience in establishing proprietaries. A copy of this letter is also being provided to Ranking Minority Member Bob Stump.

Sincerely,

A handwritten signature in dark ink, appearing to read "Clair E. George".

Clair E. George  
Deputy Director for Operations

Central Intelligence Agency



Washington, D.C. 20505

26 APR 1985

The Honorable Dave Durenberger  
Chairman  
Select Committee on Intelligence  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

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Clair E. George

Deputy Director for Operations

WILLIAM V. ROTH, JR., DELAWARE  
WILLIAM S. COHEN, MAINE  
ORRIN HATCH, UTAH  
FRANK MURKOWSKI, ALASKA  
ARLEN SPECTER, PENNSYLVANIA  
CHUC HECHT, NEVADA  
MITCH MCCONNELL, KENTUCKY

LLOYD BENTSEN, TEXAS  
SAM NUNN, GEORGIA  
THOMAS F. EAGLETON, MISSOURI  
ERNEST F. HOLLINGS, SOUTH CAROLINA  
DAVID L. BOREN, OKLAHOMA  
BILL BRADLEY, NEW JERSEY

# United States Senate

SELECT COMMITTEE ON INTELLIGENCE

WASHINGTON, DC 20510

ROBERT DOLE, KANSAS, EX OFFICIO  
ROBERT C. BYRD, WEST VIRGINIA, EX OFFICIO

BERNARD F. McMAHON, STAFF DIRECTOR  
ERIC D. NEWSOM, MINORITY STAFF DIRECTOR

#85-11018

May 3, 1985

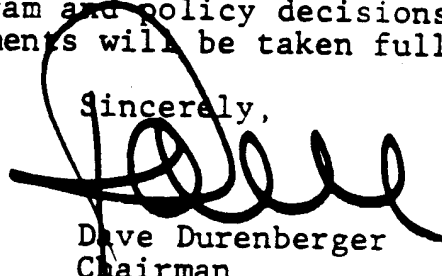
The Honorable Caspar W. Weinberger  
Secretary of Defense  
Department of Defense  
The Pentagon  
Washington, D.C. 20301

Dear Cap:

The Select Committee received the Administration's proposed FY 1986 Intelligence Authorization Bill on April 24, 1985, which limited the time available for us to schedule hearings on the DOD intelligence cover support proposal before our markup of the bill.

Later this year, the Committee should be able to consider the issues raised by this proposal in the context of hearings on the overall direction of our intelligence efforts. We hope to take a comprehensive and realistic look at how the entire system is working, so we can have a solid basis for program and policy decisions. DOD intelligence requirements will be taken fully into account.

Sincerely,



Dave Durenberger  
Chairman

PATRICK LEAHY, VERMONT, VICE CHAIRMAN

WILLIAM V. ROTH, JR., DELAWARE

WILLIAM S. COHEN, MAINE

ORRIN MATCH, UTAH

FRANK MURKOWSKI, ALASKA

ARLEN SPECTER, PENNSYLVANIA

CHIC HECHT, NEVADA

MITCH MCCONNELL, KENTUCKY

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ROBERT C. BYRD, WEST VIRGINIA, EX OFFICIO

BERNARD F. McMAHON, STAFF DIRECTOR  
ERIC D. NEWSOM, MINORITY STAFF DIRECTOR

#85-1619

May 3, 1985

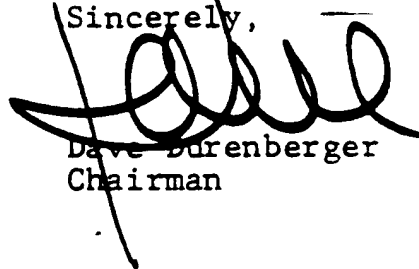
Mr. Clair E. George  
Deputy Director for Operations  
Central Intelligence Agency  
Washington, D.C. 20505

Dear Clair:

Thank you for your letter expressing the CIA's views on DOD intelligence cover support legislation.

Later this year, the Committee should be able to consider the issues raised by this proposal in the context of hearings on the overall direction of our intelligence efforts. We hope to take a comprehensive and realistic look at how the entire system is working, so we can have a solid basis for program and policy decisions.

Sincerely,



Dave Burenberger  
Chairman






ACTION

ODL 85-1449

**Office of Legislative Liaison**

**Routing Slip**

TO:

	ACTION	INFO
1. <u>D/OLL</u>	<i>[Signature]</i>	<i>17 MAY 1985</i>
2. DD/OLL		x
3. Admin Officer		x
4. Liaison		
5. Legislation	x	
6. 		x
7. 		x
8. 		x
9. 		x
10. 		

SUSPENSE

24 May 85

Date

Action Officer:

Remarks:

*I believe, was*

*the one who  
asked for this.*

17 May 85

Name/Date

**17 MAY 1985**

STAT

STAT

STAT

STAT



CONFIDENTIAL

85-1532

MAY 16 1985

MEMORANDUM FOR: Chief, Legislation Division  
Office of Legislative Liaison

FROM: Robert W. Magee  
Director of Personnel

SUBJECT: Additional Retirement Credit at Unhealthful  
Posts [redacted]

25X1

1. At the 8 May 1985 meeting with the Senate Select Committee on Intelligence (SSCI), Senator Lloyd Bentsen (D., TX) expressed his concern about the cost of funding additional retirement credit at unhealthful posts in the out years. [redacted]

25X1

2. Based on the State Department's experience, about one percent of their senior officers serving at unhealthful posts and who are receiving salaries close to the ambassadorial pay cap elect the extra retirement credit in lieu of post differential. It is our belief that Agency experience will be similar to that of the State Department. [redacted]

25X1  
25X1

3. Hopefully, the above cost data will provide the necessary information requested by the Senator. (U)

25X1

[redacted]  
Robert W. Magee

25X1

CONFIDENTIAL

CONGRESSIONAL ACTION (AS OF 5/15/86) ON MAJOR LEGISLATIVE  
ITEMS IN FY '86 INTELLIGENCE AUTHORIZATION BILL

<u>ITEM</u>	<u>ADMINISTRATION PROPOSAL</u>	<u>SSCI MARKUP RESULT</u>	<u>HPSCI MARKUP RESULT</u>
EXECUTIVE SCHEDULE INCREASE FOR DCI, DDCI	Included	Included	Not included
INTERLOCUTORY APPEAL AUTHORITY	Included	Not included	Not included
UNHEALTHFUL POST RETIREMENT CREDIT	Included (Ciards only)	Included (Ciards only)	Not included
DRUG AND ALCOHOL AUTHORITIES	Included	Not included	Not included
DOD PROPRIETARIES	Included	Included but significantly modified	Not included
DEFECTOR CITIZENSHIP	Included	Included	Not included
ARMS TRANSFER LIMITATIONS	Not included	Not included	Included
DIPLOMATIC RECIPROCITY	Not included	Included	Not included
FBI CONGRESSIONAL SECURITY ASSISTANCE	Not included	Included	Not included

Sanitized Copy Approved for Release 2011/03/15 : CIA-RDP87B00858R000300350012-2

<u>ITEM</u>	<u>ADMINISTRATION PROPOSAL</u>	<u>SSCI MARKUP RESULT</u>	<u>HPSCI MARKUP RESULT</u>
FUNDS FOR FBI COUNTERTERRORISM (BUDGET ITEM)	Not included	Not included	Included
PROHIBITIONS ON PM FUNDING FOR NICARAGUA	Not included	Not included	Included
RESEARCH BUILDING FOR NSA	Not included	Included	Not Included
DCI COUNTERINTELLIGENCE VULNERABILITY REPORT	Not included	Not included	Included